## CHECKLIST ENVIRONMENTAL ASSESSMENT

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| **Project Name:** | Denbury Green Pipeline Montana LLC Water Use LUL |
| **Proposed Implementation Date:** | Summer 2020 |
| **Proponent:** | Denbury Green Pipeline Montana LLC |
| **Location:** | T6N-R60E-Sec 16 |
| **County:** | Fallon County |

## I. TYPE AND PURPOSE OF ACTION

Denbury Green Pipeline Montana, LLC (Henceforth referred to as proponent) has requested a land use license from the DNRC Eastern Land Office for beneficial water use. The LUL requests the ability to use water from two existing reservoirs on the tract, this water would be utilized for the purpose of dust abatement associated with the construction of the CCA Pipeline. The Trust Land Management Division and State Board of Land Commissioners currently hold the existing water rights on these two reservoirs.

## II. PROJECT DEVELOPMENT

### 1. PUBLIC INVOLVEMENT, AGENCIES, GROUPS OR INDIVIDUALS CONTACTED:

*Provide a brief chronology of the scoping and ongoing involvement for this project.*

The proponent has filed a DS-401 Land Use License application with the DNRC Eastern Land Office. A field inspection of the requested site was conducted several times in 2019 in association with the CCA pipeline review.

### 2. OTHER GOVERNMENTAL AGENCIES WITH JURISDICTION, LIST OF PERMITS NEEDED:

DNRC Water Resources Division- Beneficial Use Permit

### 3. ALTERNATIVES CONSIDERED:

Alternative A- Issue a Land Use License to the proponent for beneficial water use from the two existing reservoirs.

Alternative B- No Action

## III. IMPACTS ON THE PHYSICAL ENVIRONMENT

- *RESOURCES potentially impacted are listed on the form, followed by common issues that would be considered.*
- *Explain POTENTIAL IMPACTS AND MITIGATIONS following each resource heading.*
- *Enter "NONE" If no impacts are identified or the resource is not present.*

### 4. GEOLOGY AND SOIL QUALITY, STABILITY AND MOISTURE:

*Consider the presence of fragile, compactable or unstable soils. Identify unusual geologic features. Specify any special reclamation considerations. Identify any cumulative impacts to soils.*

Alternative A- Soils on the site are not excessively fragile, compactable or unstable. No direct soil disturbance is proposed by this project. The proponent would access the site through existing county roads, oil field roads and licensed access routes.

Alternative B- No Impact

**5. WATER QUALITY, QUANTITY AND DISTRIBUTION:**
*Identify important surface or groundwater resources. Consider the potential for violation of ambient water quality standards, drinking water maximum contaminant levels, or degradation of water quality. Identify cumulative effects to water resources.*

Alternative A- The proponent is in the process of procured a provisional beneficial use permit for removing water from these reservoirs. The proponent has applied for a total maximum usage quantity of two million gallons per reservoir. The actual usage will be unknown until the project is completed, but no more than two million gallons per reservoir would be used. The total amount applied for reflects approximately 10% of the total reservoir volume.

Alternative B- No Impact

**6. AIR QUALITY:**
*What pollutants or particulate would be produced? Identify air quality regulations or zones (e.g. Class I air shed) the project would influence. Identify cumulative effects to air quality.*

Alternative A- Minimal impacts expected. Increased pollutants from pump operations should only be minor and temporary. The water would be used for dust abatement associated with the construction of the CCA Pipeline.
Alternative B- No Impact

**7. VEGETATION COVER, QUANTITY AND QUALITY:**
*What changes would the action cause to vegetative communities? Consider rare plants or cover types that would be affected. Identify cumulative effects to vegetation.*

Alternative A- No significant impact. Licensee would be required to place catchment tarps below all pumping equipment to contain any potential spills or leaks.

Alternative B- No Significant Impact

**8. TERRESTRIAL, AVIAN AND AQUATIC LIFE AND HABITATS:**
*Consider substantial habitat values and use of the area by wildlife, birds or fish. Identify cumulative effects to fish and wildlife.*

Alternative A-. This project may temporarily disrupt wildlife habitat and usage associated with pump operations and general construction activities. Species which may have habitat in the area of the project may include but are not limited to deer, antelope, rodents, coyotes, foxes, amphibians, reptiles, fish, raptors, migratory and prairie birds. Upon project completion, the habitats and wildlife utilization should return to normal levels.

Alternative B- No Impact

**9. UNIQUE, ENDANGERED, FRAGILE OR LIMITED ENVIRONMENTAL RESOURCES:**
*Consider any federally listed threatened or endangered species or habitat identified in the project area. Determine effects to wetlands. Consider Sensitive Species or Species of special concern. Identify cumulative effects to these species and their habitat.*

Alternative A- A search of the Montana Natural Heritage Database shows the following species of concern in the general project area.

***Great Blue Heron - Ardea herodias***
***Greater Sage-Grouse - Centrocercus urophasianus***
***Loggerhead Shrike - Lanius ludovicianus***
***Sharp-tailed Grouse - Tympanuchus phasianellus***

While these species may be present in the general area of this proposed license, impacts should be limited due to the small scope and temporary nature of the project. Pump suction lines would be equipped with screens to prevent fish from entering the lines. This proposed project is located within Greater Sage Grouse General and Core habitat areas. The proponent has consulted with the Montana Sage Grouse Habitat Program and mitigations for the project will be implemented to ensure compliance with EO-12-2015 and EO-21-2015. Project was submitted as part of the CCA Pipeline under project #2508, 2509, 2980 and 3102.
Alternative B- No Impact

**10. HISTORICAL AND ARCHAEOLOGICAL SITES:**

*Identify and determine effects to historical, archaeological or paleontological resources.*

Alternative A- A search of the TLMS Database shows 2 recorded historical sites in the general area of the requested license. These sites are comprised of two isolated lithic scatters, a rock cairn and the registered coral creek oilfield site (24FA0891), no impact to these sites are expected. A field review of the proposed project area showed no findings of historical, archeological or paleontological resources within the scope of the project.

Alternative B- No Significant Impact

**11. AESTHETICS:**

*Determine if the project is located on a prominent topographic feature, or may be visible from populated or scenic areas. What level of noise, light or visual change would be produced? Identify cumulative effects to aesthetics.*

Alternative A- This use would be temporary with no lasting impacts after the project is completed. Noise levels may be increased during times of use, this impact should be temporary and only during times of use
Alternative B- No Significant Impact

**12. DEMANDS ON ENVIRONMENTAL RESOURCES OF LAND, WATER, AIR OR ENERGY:**

*Determine the amount of limited resources the project would require. Identify other activities nearby that the project would affect. Identify cumulative effects to environmental resources.*

Alternative A- The proposed project would have an impact to water resources. A beneficial water use permit from DNRC Water Resources Division has been obtained by the proponent. The amount of water requested is unknown at this time. The DNRC Eastern Land Office does not have regulatory authority over this permit and it is not part of this land use license request.

Alternative B- No Significant Impact

**13. OTHER ENVIRONMENTAL DOCUMENTS PERTINENT TO THE AREA:**

*List other studies, plans or projects on this tract. Determine cumulative impacts likely to occur as a result of current private, state or federal actions in the analysis area, and from future proposed state actions in the analysis area that are under MEPA review (scoped) or permitting review by any state agency.*

None

## IV. IMPACTS ON THE HUMAN POPULATION

- *RESOURCES potentially impacted are listed on the form, followed by common issues that would be considered.*
- *Explain POTENTIAL IMPACTS AND MITIGATIONS following each resource heading.*
- *Enter "NONE" If no impacts are identified or the resource is not present.*

**14. HUMAN HEALTH AND SAFETY:**

*Identify any health and safety risks posed by the project.*

Alternative A- There may be potential health and safety risks associated with this project. These risks are accepted by trained employees as occupational risks. These risks can be mitigated with proper training and on-site safety protocols.

Alternative B- No Significant Impact

**15. INDUSTRIAL, COMMERCIAL AND AGRICULTURE ACTIVITIES AND PRODUCTION:**

*Identify how the project would add to or alter these activities.*

Alternative A- This project should have a positive impact to the industrial, commercial, activities and production in the area. Impact to agricultural activities and production should be neutral.

Alternative B- No Significant Impact

**16. QUANTITY AND DISTRIBUTION OF EMPLOYMENT:**

*Estimate the number of jobs the project would create, move or eliminate. Identify cumulative effects to the employment market.*

Alternative A- This project has the potential to create jobs with further development possibilities. The number of jobs created is unknown at this time.

Alternative B- No Impact

**17. LOCAL AND STATE TAX BASE AND TAX REVENUES:**

*Estimate tax revenue the project would create or eliminate. Identify cumulative effects to taxes and revenue.*

Alternative A- This project has the potential to increase local tax revenues the amount of which is unknown at this time.

Alternative B- No Significant Impact

**18. DEMAND FOR GOVERNMENT SERVICES:**

*Estimate increases in traffic and changes to traffic patterns. What changes would be needed to fire protection, police, schools, etc.? Identify cumulative effects of this and other projects on government services*

Alternative A- No impacts expected
Alternative B- No Impact

**19. LOCALLY ADOPTED ENVIRONMENTAL PLANS AND GOALS:**

*List State, County, City, USFS, BLM, Tribal, and other zoning or management plans, and identify how they would affect this project.*

Alternative A- No Significant Impact
Alternative B- No Impact

**20. ACCESS TO AND QUALITY OF RECREATIONAL AND WILDERNESS ACTIVITIES:**

*Identify any wilderness or recreational areas nearby or access routes through this tract. Determine the effects of the project on recreational potential within the tract. Identify cumulative effects to recreational and wilderness activities.*

Alternative A- The requested pump site and pipeline are temporary and should not have a long-term effect on recreational and wilderness activities.

Alternative B- No Impact

**21. DENSITY AND DISTRIBUTION OF POPULATION AND HOUSING:**
*Estimate population changes and additional housing the project would require. Identify cumulative effects to population and housing.*

Alternative A- No Significant Impact
Alternative B- No Impact

**22. SOCIAL STRUCTURES AND MORES:**
*Identify potential disruption of native or traditional lifestyles or communities.*

Alternative A- No Significant Impact
Alternative B- No Impact

**23. CULTURAL UNIQUENESS AND DIVERSITY:**
*How would the action affect any unique quality of the area?*

Alternative A- No Significant Impact
Alternative B- No Impact

**24. OTHER APPROPRIATE SOCIAL AND ECONOMIC CIRCUMSTANCES:**
*Estimate the return to the trust. Include appropriate economic analysis. Identify potential future uses for the analysis area other than existing management. Identify cumulative economic and social effects likely to occur as a result of the proposed action.*

Alternative A- This project has the ability to generate revenue for the trust through the purchase of a land use license. This price of this LUL will be set at usage fee of $.01 per gallon, total usage would be unknown until completion of the project.
Alternative B- No Impact

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| **EA Checklist Prepared By:** | **Name:** | Scott Aye | **Date:** | 12-9-2019 |
| | **Title:** | Land Program Manager | | |

## V. FINDING

**25. ALTERNATIVE SELECTED:**

Alternative A

**26. SIGNIFICANCE OF POTENTIAL IMPACTS:**

The proposed land use license for beneficial water use should not result in nor cause significant environmental impacts. The predicted environmental impacts should be adequately mitigated through the DNRC terms and conditions contained within the land use license. For these reasons an environmental assessment checklist is the appropriate level of analysis for the proposed action. The proposed land use license for beneficial water use would satisfy the trust fiduciary mandate.

**27. NEED FOR FURTHER ENVIRONMENTAL ANALYSIS:**

[ ] EIS [ ] More Detailed EA [X] No Further Analysis

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| **EA Checklist Approved By:** | **Name:** | Chris Pileski |
| | **Title:** | ELO Area Manager |
| **Signature:** | | **Date:** 12/17/19 |